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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 24, 2008

Mr. Catherine Ziegler  
Ziegler Chemical and Mineral Company  
366 North Broadway, Suite 210  
Jericho, New York 11753-2000

Subject: Reclamation Surety Required, Ziegler Chemical & Mineral Corp., Neal 1-2-3-4 Mine, S/047/0063, Uintah County, Utah

Dear Ms. Ziegler:

The Division finds your Notice of Intention to Conduct Small Mining for the Neal 4 Mine complete. Current bond for the Neal 1-2-3 is \$24,000 with a bond renewal date of 12/31/2007. Prior to conducting mining activities the Division must approve the reclamation surety. The reclamation surety for Neal 1-2-3-4 is determined to be \$28,800 for the project escalated to year 2011 and \$31,600 Escalated to year 2013. As listed below:

#### 3-year escalation (2011)

Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$6,300.00	\$6,300.00
Add'l Acres Disturbance	5	\$3,900.00	\$19,500.00
Equipment sets	3	\$1,000.00	\$3,000.00
TOTAL			\$28,800.00

#### 5-year escalation (2013)

Item	Qty	Unit Cost	Total Cost
1st Acre Disturbance	1	\$6,800.00	\$6,800.00
Add'l Acres Disturbance	5	\$4,300.00	\$21,500.00
Equipment Sets	3	\$1,100.00	\$3,300.00
TOTAL			\$31,600.00

EQUIPMENT SETS per site INCLUDE -  
HOIST HOUSE, ORE BIN, COMPRESSOR, FUEL TANK, GENERATOR

Neal 1-2-3-4  
Page 2 of 2  
S/047/0063  
September 24, 2008

DOGM inspection report dated 04-20-2007 indicates that the Neal 1 shaft has been sealed and the area has been regraded, equipment removed, and vegetation planted. A small mine permit is limited to 5 acres of total disturbance. Please submit form MR-SITE within 30 days for a partial bond release for the reclaimed acres for the Neal 1. The form is located at: <http://ogm.utah.gov/minerals/MINERALSFORMS>

Please submit the reclamation surety within the next 30 days. No new mining related disturbance can be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including cash, an irrevocable letter of credit, a certificate of deposit, or a surety bond. Please contact Penny Berry at (801) 538-5291 or e-mail [bondcoordinator@utah.gov](mailto:bondcoordinator@utah.gov) for assistance in completing this requirement.

Thank you for your cooperation to help finalize this permitting action. In reply, please refer to file number S/047/0063.

Sincerely,



Dana Dean, P.E.  
Associate Director, Mining